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# HOUSE BILL No. 1832

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-4; IC 36-2; IC 36-6-8-5.

**Synopsis:** Property tax matters. Provides that the next general reassessment of real property is effective in 2009 instead of 2006. Eliminates review by the county property tax assessment board of appeals of determinations by township assessors of land values. Provides that: (1) no notice to taxpayers other than the tax statement is required when assessments are determined by an annual cost multiplier; (2) the limitation on changing compensation of an elected county officer in the year for which it is fixed does not apply to amounts received for qualification as a level two appraiser; and (3) a county assessor is entitled to per diem for service on the property tax assessment board of appeals related to a general reassessment. Repeals the county land valuation commission.

**Effective:** July 1, 2003.

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## Saunders, Klinker

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January 23, 2003, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1832

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 6-1.1-4-4, AS AMENDED BY P.L.90-2002,  
2       SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2003]: Sec. 4. (a) A general reassessment, involving a  
4       physical inspection of all real property in Indiana, shall begin July 1,  
5       ~~2000~~, **2007**, and each fourth year thereafter. Each reassessment shall  
6       be completed on or before March 1, of the immediately following  
7       ~~even-numbered~~ **odd-numbered** year, and shall be the basis for taxes  
8       payable in the year following the year in which the general assessment  
9       is to be completed.
- 10       (b) In order to ensure that assessing officials and members of each  
11       county property tax assessment board of appeals are prepared for a  
12       general reassessment of real property, the department of local  
13       government finance shall give adequate advance notice of the general  
14       reassessment to the county and township taxing officials of each  
15       county.
- 16       SECTION 2. IC 6-1.1-4-4.5, AS ADDED BY P.L.198-2001,  
17       SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

2003

IN 1832—LS 7537/DI 52+



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JULY 1, 2003]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) The system must be applied to adjust assessed values beginning with the ~~2006~~ **2010** assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The system must have the following characteristics:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Apply all objectively verifiable factors used in mass valuation techniques that are reasonably expected to affect the value of real property in Indiana.

(3) Prescribe as many adjustment percentages and whatever categories of percentages the department of local government finance finds necessary to achieve objectively verifiable updated just valuations of real property. An adjustment percentage for a particular classification may be positive or negative.

(4) Prescribe procedures, including computer software programs, that permit the application of the adjustment percentages in an efficient manner by assessing officials.

**(5) Not require notice to taxpayers of adjusted assessed values determined under this section other than the notice in the tax statement provided under IC 6-1.1-22-8.**

SECTION 3. IC 6-1.1-4-13.6, AS AMENDED BY P.L.90-2002, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 13.6. ~~(a)~~ The township assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the township using guidelines determined by the department of local government finance. ~~Not later than November 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than December 1 of the year preceding the year in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 and before December 1 of the year preceding the year in which the general reassessment under IC 6-1.1-4-4 becomes effective.~~

(b) The county property tax assessment board of appeals shall

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review the values submitted under subsection (a) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the county assessor or township assessor fails to submit land values under subsection (a) to the county property tax assessment board of appeals before November 1 of the year before the date the general reassessment under IC 6-1.1-4-4 becomes effective, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the general reassessment becomes effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county of the values as modified by the county property tax assessment board of appeals. Township assessors shall use the values determined under this section.

SECTION 4. IC 6-1.1-4-27.5, AS AMENDED BY P.L.151-2002, SECTION 1, AND P.L.178-2002, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county is required to levy under this section in the county's property reassessment fund.

(b) With respect to the general reassessment of real property which is to commence on July 1, 2004, the county council of each county shall, for property taxes due in the year in which the general reassessment is to commence and the two (2) years immediately preceding that year, levy against all the taxable property of the county an amount equal to one-third (1/3) of the estimated cost of the general reassessment.

(c) (b) With respect to a general reassessment of real property that is to commence on July 1, 2008, 2007, and each fourth year thereafter, the county council of each county shall, for property taxes due in the year that the general reassessment is to commence and the three (3) years preceding that year, levy against all the taxable property in the county an amount equal to one-fourth (1/4) of the estimated cost of the general reassessment.

(d) (c) The department of local government finance shall give to each county council notice, before January 1 in a year, of the tax levies



required by this section for that year.

(~~e~~) (d) The department of local government finance may raise or lower the property tax levy under this section for a year if the department determines it is appropriate because the estimated cost of a general reassessment ~~including a general reassessment to be completed for the March 1, 2002, assessment date,~~ has changed.

(~~f~~) (e) If the county council determines that there is insufficient money in the county's reassessment fund to pay all expenses (as permitted under sections 28.5 and 32 of this chapter) relating to the general reassessment of real property commencing July 1, 2000, the county may, for the purpose of paying expenses (as permitted under sections 28.5 and 32 of this chapter) relating to the general reassessment commencing July 1, 2000, use money deposited in the fund from the tax levy under this section for 2000 or a later year.

SECTION 5. IC 36-2-5-13, AS AMENDED BY P.L.178-2002, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 13. (a) The compensation of an elected county officer may not be changed in the year for which it is fixed. The compensation of other county officers, deputies, and employees or the number of each may be changed at any time on:

- (1) the application of the county fiscal body or the affected officer, department, commission or agency; and
- (2) a majority vote of the county fiscal body.

**(b) This section does not apply to receipt by a county assessor or an elected township assessor of an amount under section 3(b) of this chapter.**

SECTION 6. IC 36-2-7-13, AS AMENDED BY P.L.198-2001, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 13. The county fiscal body may grant to the county assessor, in addition to the compensation fixed under IC 36-2-5, a per diem for each day that the assessor is engaged in general reassessment activities, including service on the county ~~and valuation commission.~~ **property tax assessment board of appeals that is related to a general reassessment.** This section applies regardless of whether professional assessing services are provided under a contract to one (1) or more townships in the county.

SECTION 7. IC 36-6-8-5, AS AMENDED BY P.L.198-2001, SECTION 106, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) When performing the real property reassessment duties prescribed by IC 6-1.1-4, a township assessor may receive per diem compensation, in addition to salary, at a rate fixed by the county fiscal body, for each day that he is engaged

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1 in reassessment activities. ~~including service on the county land~~  
2 ~~valuation commission.~~

3 (b) Subsection (a) applies regardless of whether professional  
4 assessing services are provided to a township under contract.

5 SECTION 8. IC 6-1.1-4-13.8 IS REPEALED [EFFECTIVE JULY  
6 1, 2003].

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